

Rural Utilities Service Programs

High Energy Cost Grants

What does this program do?

Assists power providers in lowering energy costs for families and individuals in areas with extremely high per-household energy costs (275 percent of the national average or higher).

Who may apply for this program?

Most retail or power supply providers serving qualified rural areas, including:

- State and local governmental entities
- Federally recognized Tribes
- Non-profits, including cooperatives and limited dividend or mutual associations
- For-profit businesses

What is an eligible area?

- The law requires the consideration of several factors to determine whether an area qualifies as rural for the purposes of this program
- Email Energy.Grants@wdc.usda.gov

How may funds be used?

To finance the acquisition, construction or improvement of facilities serving residential customers or communities, including:

- Electric generation, transmission and distribution facilities, including:
 - Equipment, materials and activities
 - Land or right-of-way acquisition, professional expenses, engineering and permitting costs
- Natural gas distribution and storage facilities, including equipment, materials and activities
- Petroleum product storage and handling facilities, including equipment, materials and activities

- Renewable energy facilities, including solar, wind, hydropower or biomass technologies used for on- or off-grid:
 - electric power generation
 - water or space heating
 - process heating and power
- Backup or emergency power generation or energy storage technology, including generation equipment installed on consumer premises

Implementation of initiatives such as:

- Energy efficiency improvements and conservation measures (i.e. weatherization of residences and community facilities)
- Programs encouraging the use of energy-saving appliances and devices
- Programs aimed at improving the quality and cost of energy service

Additional requirements include:

- Borrowers must have the legal authority to provide, construct, operate and maintain the proposed facilities or services
- All facilities receiving federal financing must be used for a public purpose
- Partnerships with other federal, state, local, private and non-profit entities are encouraged

For additional details, see the Code of Federal Regulations [Z CFR 1709](#)

How do we get started?

- Applications for this program are accepted through our National Office
- Email Energy.Grants@wdc.usda.gov
- The application deadline is set each year by a NOFA
- Program Resources are available online (i.e. forms, guidance, certifications, etc.)

Who can answer questions?

- Email Energy.Grants@wdc.usda.gov
- Contact the [Rural Electric Program staff](#)

What law governs this program?

- Rural Electrification Act of 1936, as amended in 7 U.S.C. 901
- Code of Federal Regulations [7 CFR 1709](#)

NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled "What Law Governs this Program?" You may also contact [your local office](#) for assistance.

You will find additional forms, resources, and program information at www.rd.usda.gov